

The City Council meeting reconvened on Thursday, February 27, 2003, at 10:30 a.m., at the Regional Training Center, 1220 Kessler Mill Road, Salem, Virginia, for a joint meeting of the Roanoke City Council and the Roanoke County Board of Supervisors to discuss a regional water and sewer authority, with Mayor Ralph K. Smith and Chairman Joseph P. McNamara presiding.

ROANOKE CITY COUNCIL MEMBERS PRESENT: William D. Bestpitch, William H. Carder, M. Rupert Cutler, Alfred T. Dowe, Jr., C. Nelson Harris, Linda F. Wyatt and Mayor Ralph K. Smith-----7.

ABSENT: None-----0.

ROANOKE COUNTY BOARD OF SUPERVISORS PRESENT: Richard Flora, Joseph B. Church, Michael W. Altizer and Chairman Joseph P. McNamara-----4.

ABSENT: Board Member H. Odell Minnix-----1.

OTHERS PRESENT: Representing the City of Roanoke: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; Stephanie M. Moon, Deputy City Clerk; Chris L. Slone, Public Information Officer; Michael T. McEvoy, Director of Utilities; and representing Roanoke County: Elmer C. Hodge, County Administrator; Paul M. Mahoney, County Attorney; Daniel R. O'Donnell, Assistant County Administrator; Diane D. Hyatt, Chief Finance Director; Gary L. Robertson, Director of Utilities; and Diane S. Childers, Clerk to the Roanoke County Board of Supervisors.

Chairman McNamara and Mayor Smith expressed appreciation to everyone for their attendance.

The invocation was delivered by Council Member C. Nelson Harris.

WATER-SEWERS AND STORM DRAINS: Gary Robertson, Utility Director, County of Roanoke, advised that it is not a coincidence that the Regional Training Center was chosen for the meeting, i.e., the regional accomplishments made by fire and rescue, whether it be the training center, the radio system or joint staffing of the Clearbrook fire station are projects that the localities would like to build on; and for 30 years there have been discussions regarding a water authority or regional cooperation on a water supply for the Roanoke Valley. He further advised that early last year, Roanoke City and Roanoke County staff were directed to pursue possibilities of an authority; meetings that began with anxiety and trepidation ended

with excitement and expectations; many different scenarios were reviewed; a contract amendment between the City and the County was considered, with various options of a wholesale authority that would combine water sources, but keep distribution systems separate and a full service authority that would combine not only sources, but also transmission, distribution and administration; and discussions regarding a water authority should also include wastewater.

He expressed appreciation for an opportunity to join with the Roanoke City Director of Utilities to recommend that the City of Roanoke and the County of Roanoke form a full service water and wastewater authority, based upon the following three principles:

equal representation between the City and the County on the Authority,
pool assets of both the City and the County, and
equalize the rates between the City and the County.

Mr. Robertson expressed appreciation to both City Council and to the Board of Supervisors for their support over the past few months and the following staff who worked diligently throughout the process: Elmer C. Hodge, Darlene L. Burcham, William M. Hackworth, Paul M. Mahoney, Jesse A. Hall, Diane D. Hyatt, Chris L. Slone and John Williamson and Dale Moore, representatives of Roanoke Gas Company, reviewed rate analysis and potential roadblocks.

Michael T. McEvoy, Director of Utilities, City of Roanoke, advised that staff's recommendation to form a full service water and wastewater authority should include the supply, treatment, transmission, and distribution of water to citizens in both Roanoke City and Roanoke County, collection and treatment of wastewater, and such functions as meter reading, billing, and account services for customers. He advised that staff is also recommending that an independent governing board oversee the authority, and the governing board should consist of equal representation from both localities.

Mr. McEvoy further advised that significant efficiencies are to be gained that will benefit all customers, i.e.: shared personnel and equipment, combined management of the water reservoirs for maximum yield, joint meter reading and billing operations, consistent operating policies including levels of treatment, combined purchasing, drought management, and development review; and combining operations will result in better planning and design of future improvements for more efficient service delivery which will save time and money by not duplicating solutions to the same problems.

Mr. McEvoy stated that an authority is in the Roanoke Valley's long term best interests; combining the two systems will provide financial stability, which is important in a capital-intensive industry like utilities; strong utility systems are helpful in promoting economic development; customers will gain redundancy during short-term emergencies, as well as periods of drought; facilitate replacement of older infrastructure as well as construction of new facilities in areas not currently served; and while the County and the City are taking this initial step, the authority will be structured so as to allow other jurisdictions to participate in the future.

Mr. McEvoy further stated that the abovestated items apply to both water and wastewater service; by combining assets, maximizing existing facilities, and making additional inter-connections, a stronger and more stable water supply is created for both localities; water plant expansions can be deferred through efficient use of existing facilities; and construction of a large water supply project will require combined resources that an authority can provide.

Mr. Robertson commented on the benefits of wastewater being included in an authority. He pointed out that Roanoke County and the City of Roanoke, in addition to the City of Salem, Town of Vinton and Botetourt County, already share a single wastewater treatment facility and joint interceptor lines; and forming an authority further solidifies the arrangement and makes planning for future improvements easier and less controversial.

Mr. Robertson advised that Roanoke County presently has a contract with the City of Roanoke for wastewater treatment; because of requirements from the Department of Environmental Quality and a desire for additional capacity, amendment to the contract will be necessary; and formation of an authority between Roanoke County and the City of Roanoke, with shared ownership, removes any uncertainty involved with renegotiating a contract for wastewater services in the future, and also increases leverage for permitting other government agencies for future improvements.

Mr. Robertson further advised that both the County and the City Utility Departments share personnel, billing, equipment and administration between water and sewer operations; and wastewater should be included in the proposed regional authority in order to gain the most efficiency and to maximize potential cost savings.

Mr. McEvoy called attention to the following guiding principles:

**pooled assets of utility systems by both localities,
equal representation on an independent governing board, and
equalization of rates over a mutually agreeable schedule.**

He explained that there is significant work to be done; staff is recommending authorization to prepare the necessary documents, contracts, and studies for formation of a regional water and wastewater authority; and will return within 60 days to the respective governing bodies with a status report.

The County Attorney presented a resolution endorsing the creation of a regional water and wastewater authority, which was adopted by the Roanoke County Board of Supervisors on a 4-0 vote.

Mr. Cutler offered the following resolution:

(#36248-022703) A RESOLUTION endorsing the creation of a regional water and wastewater authority, and authorizing the City Manager, Director of Finance and City Attorney to proceed with developing an agreement and plan to create such an authority.

(For full text of Resolution, see Resolution Book No. 67, page 140.)

Mr. Cutler moved the adoption of Resolution No. 36248-022703. The motion was seconded by Mr. Bestpitch.

Appreciation was expressed to City and County staff for their efforts to move the localities toward mutual cooperation.

There being no further discussion, Resolution No. 36248-022703 was adopted by the following vote:

AYES: Council Members Bestpitch, Carder, Cutler, Dowe, Harris, Wyatt and Mayor Smith-----7.

NAYS: None-----0.

There being no further business, the Mayor declared the meeting of Roanoke City Council adjourned at 10:55 a.m.

A P P R O V E D

ATTEST:

Stephanie M. Moon
Deputy City Clerk

Ralph K. Smith
Mayor
